S
330.9786
E10m
v.4|2
1975

[redacted]

ECONOMIC INDICATORS

SUMMER

1975

Montana State Library
3 0864 1004 4605 6

ABOUT THE COVER

The cover pictures depict four of Montana's largest industries: retail trade, lumber and wood products, mining, and agriculture.

Photographs by Jerry Eaton

MONTANA

ECONOMIC INDICATORS

AN ANALYSIS OF PAST AND PRESENT ECONOMIC TRENDS

MONTANA STATE EMPLOYMENT SERVICE

EMPLOYMENT SECURITY DIVISION

DEPARTMENT OF LABOR AND INDUSTRY

Prepared by:
EMPLOYMENT SERVICE
RESEARCH AND ANALYSIS
P. O. BOX 1728
HELENA, MONTANA 59601

Volume IV Number 2 August 1975

ACKNOWLEDGEMENTS

Montana Secretary of State

Montana State Library - Historical Documents Section

Department of Business Regulations, Financial Division, Bank Examiners

Department of Justice, Motor Vehicles Division Registrar's Bureau

Department of Revenue, Motor Fuel Tax Division

Bureau of Business and Economic Research, University of Montana

Board of Oil and Gas Conservation

U. S. Department of Agriculture Statistical Reporting Service

Federal Reserve System - 9th Federal District

Bureau of Reclamation

Bonneville Power Administration

Montana Dakota Utilities

Montana Power Company

Pacific Power and Light

Mountain Bell Telephone Company

Employment, Hours and Earnings, and Labor Turnover data produced in cooperation with U. S. Department of Labor, Bureau of Labor Statistics, and the Manpower Administration

TABLE OF CONTENTS

Despite several encouraging economic signs at the national level, Montana is still wading through a business recession. The extent of the current economic slump can be seen in the steep declines that have been recorded over the past several quarters for most of the leading, coinciding, and selected indicators of the state's economy. Sparked by layoffs in the manufacturing industries, unemployment continues to be unseasonably high. The construction, logging, and other seasonal industries that normally pick up some of the unemployment slack during this time of the year, have been, so far, overridden by the severity of the recession. The weather has also been a major hindrance to Montana's outdoor related employers, with way above average rainfall.

Montana's Coinciding Indicators, which best reflect our current economic condition generally recorded declines during the second quarter of 1975. The seasonally adjusted unemployment rate for June was 8.7% up from the 7.2% recorded for June of last year. Manufacturing power sales were down 13.2% and commercial industrial power sales were down 46.2% on a seasonally adjusted basis. Bank debits for May were also down 28.7% from May of last year. The initial change in new car registrations, residential power sales, and manufacturing employment reflect stabilization in these areas of the state's economy.

The Leading Indicators continue to reveal a negative picture of Montana's near economic future. Initial claims for unemployment insurance for the month of June were up 56.4% from the same month a year ago. Manufacturing layoffs have been much higher and very erratic for the first six months of 1975 in comparison with the same period last year. In fact, seasonally adjusted June layoffs were up 20% from June of last year. The lower quit rate also reflects Montana's depressed labor market, as traditionally, voluntary job separations have been minimal during recessionary business cycles.

However, there were several bright spots in the leading indicators. New corporations for June were up 22.2%, and withdrawals and dissolutions of corporations were down 28.6%. At the same time, June building permits and residential building permits were up 37.5% and 50.3%, respectively. Despite the fact that the number of actual housing units started in the first five months of 1975 is still down 26% from last year, the building industry may have reached a turning point.

As expected, the composite and selected indicators also generally displayed negative trends. The composite index hit a new all-time low in the month of May, down 7.1% from May of last year. However, preliminary June data point to an upturn in the index, which would be the first positive movement of this year.

Montana's indicators for the second quarter of 1975 generally pointed to a continued recession. There were, however, several key indicators that recorded upturns. Whether this leads into a temporary seasonal uplift or the beginning of a real economic recovery will depend on several variables, including national economic and energy policies, future building activity, agricultural prices, as well as general consumer attitude.

MONTANA'S LUMBER AND WOOD PRODUCTS INDUSTRY, TODAY AND YESTERDAY:

One-fourth of Montana's land area is classified as forest. As such, the forest has provided not only scenic beauty, wildlife refuge, and recreational enjoyment, but also a major source of raw timber. Over 70% or 17,300 thousand acres of our forested land is classified as commercial, and with an estimated 85,700 million board feet of potential lumber, Montana has provided the natural resources on which the lumber and wood products industry has flourished.

Our present lumber and wood products industry originated in 1842, when a small community sawmill opened at St. Mary's Mission in the Bitterroot Valley. Later the industry expanded, as sawmills sprang up in various parts of the state to supply lumber to the fast growing mining towns, and to manufacture railroad ties, as the "iron horse" became a part of Montana's transportation industry. These sawmills were similar to some of the smaller firms today, in that they were very mobile, labor intensive operations, usually set up near the site of the timber falling.

The growth of the forest products industry during the first half of this century coincided with the national home building booms in 1912, 1922 to 1929, and 1946 to 1956. However, the building peak was reached during the post World War II era. At that time, timber resources were being depleted in other parts of the country. Montana and her sister states in the Rocky Mountain region hosted the last great residual stands of timber in the United States. Although Montana's timber was generally regarded as lower quality than the timber of her competitive neighbors in the Pacific Northwest, it was less expensive. As supplies became scarce and the demand grew for lumber in home building, the prices rose steadily. Several established lumber companies moved into Montana and employment increased by 36% from 1947 to 1956. The lumber and wood products industry became the economic lifeblood to

many of western Montana's communities.

A national recession ended the building boom in 1957. Demand slackened sharply and many of the under-capitalized firms were forced out of business. Employment dropped by a thousand workers between 1956 and 1957. In Flathead County alone, the number of mills dropped from 104 to 60.

Since the 1957 downturn, the lumber market, and consequently the lumber industry, has changed considerably. Except for stumpage prices, and several short boom periods such as 1972, the price of lumber has increased at a slow rate. Therefore, the companies have had to rely on increased technology, resource management, and product diversification, in order to increase profits. At the same time, it has tried to cut operating costs by stabilizing employment.

By 1962, Montana produced four times as much lumber as it did in 1939. The larger firms had expanded horizontally by building their own road systems, hiring their own log harvesting crews, and taking over the wholesaler's marketing and storage function. They employed more highly skilled, better paid workers than in years past. Most of the workers in the medium and larger firms were unionized.

In the area of product diversification, high speed stud mills have been developed making dimension cut lumber a profitable operation. Planing mills were built, and garage doors, windows, and many other wood products became a part of Montana's lumber and wood products industry. Because of price oriented pressure, plywood, particle board, and wood veneers became highly used products in residential construction as substitutes for regular softwood lumber. On-the-site chipping machines have been developed to transform wood waste into pulp for the making of paper.

Despite horizontal expansion, the basic logging and sawmill operations still occupy the bulk of Montana's forest products industry. Very little of Montana's raw timber

resources are exported out of the state. Instead the logs are processed in the state, and the finished lumber products are then shipped to various market areas. In March 1974, there were 310 firms and about 1,600 employees working in the logging business and 120 firms with 5,300 employees engaged in primary sawmill manufacturing.

The forest products industry employed an average 9,300 Montana workers in 1974. This amounted to 38% of the state's total manufacturing employment, or about 3% of the total state employment. However, these figures can be misleading, since the lumber industry is mainly concentrated in the large milling centers of Kalispell, Columbia Falls, Whitefish, Missoula, Libby, Troy and the smaller centers of Bozeman, White Sulphur Springs, St. Regis, and Lincoln. In fact, Flathead, Mineral, Missoula, Sanders, Lake and Lincoln counties represented 66% of the total wood product industry's employment, and 61% of the total number of firms in the industry. In a 1972 study, it was estimated that the forest products industry was either directly or indirectly responsible for 51% of western Montana's employment and 11% of the state's total employment.

Because of the wood products industry's dependence on both the business cycle and the building cycle, it has had frequent downturns, such as the one experienced last winter. However, it still remains as one of Montana's primary industries.

WHOLESALE PRICE INDEXES*

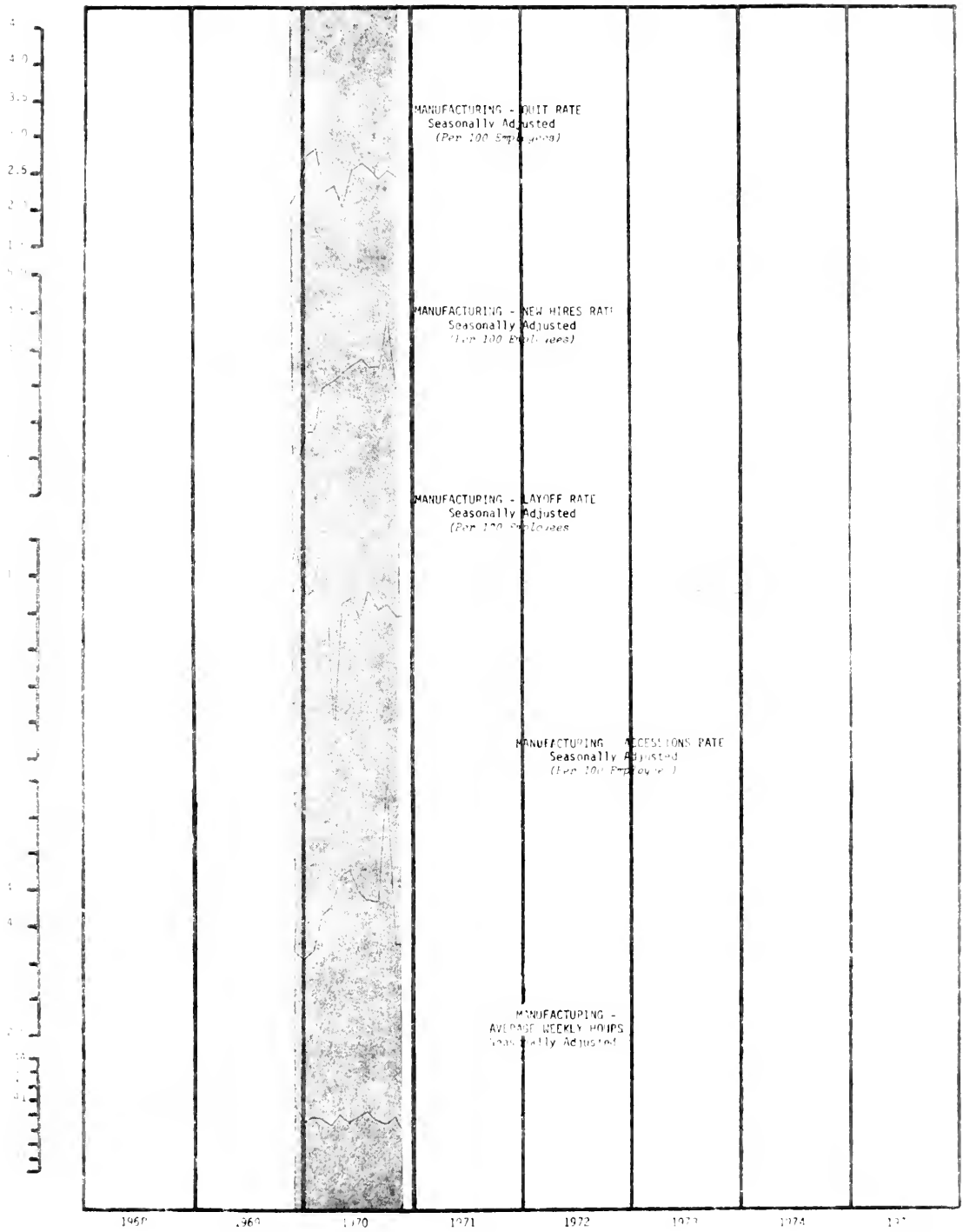
1967 = 100

Year	Lumber and Wood Products	Metals and Metal Products	Building Brick
1944	40.6	40.0	---
1954	92.6	76.9	78.1
1964	95.4	93.8	94.4
1965	95.9	96.4	95.6
1966	100.2	98.8	98.3
1967	100.0	100.0	100.0
1968	113.3	102.6	103.4
1969	125.3	108.5	107.8
1970	113.7	116.7	112.2
1971	127.0	119.0	117.4
1972	144.3	123.5	122.1

* *Source: "The Outlook for Timber in the United States" October 1973. U. S. Department of Agriculture, Page 334, Table 4.*

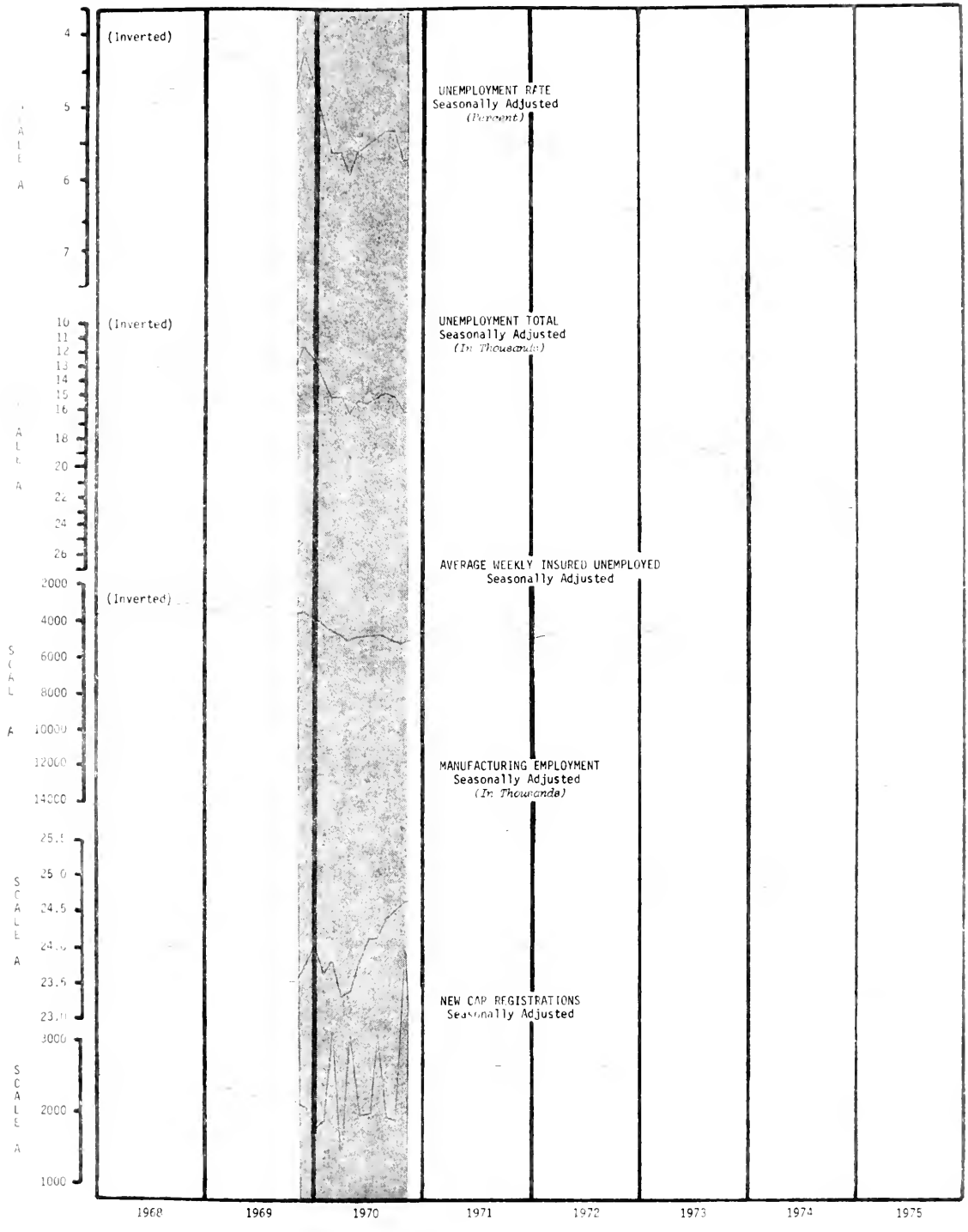
MANUFACTURING

		Quit Rate (Per 100 Employees)		New Hires Rate (Per 100 Employees)		Layoff Rate (Per 100 Employees)		Accessions Rate (Per 100 Employees)		Average Weekly Hours	
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ
1973	Jan.	1.6	2.4	2.6	3.9	1.0	1.1	2.6	3.8	40.3	40.3
	Feb.	1.4	2.5	1.9	3.5	0.7	0.9	2.3	4.0	40.3	40.6
	Mar.	1.7	2.2	2.6	3.4	3.1	1.7	3.1	3.7	40.8	40.9
	Apr.	1.9	2.1	3.3	3.2	1.1	1.4	3.9	3.6	40.3	40.8
	May	2.4	2.2	4.5	3.6	0.7	1.4	5.4	4.1	39.9	40.1
	Jun.	2.3	2.4	5.5	3.0	0.5	0.9	6.4	3.8	40.5	40.7
	Jul.	2.4	2.8	3.8	3.1	0.7	1.0	4.2	3.4	37.3	37.6
	Aug.	3.1	2.2	3.7	3.3	1.5	1.2	4.2	3.9	39.8	39.3
	Sep.	3.8	1.7	4.0	3.1	1.2	1.1	4.4	3.6	40.8	40.2
	Oct.	2.7	2.2	3.7	3.0	1.5	1.2	4.3	3.8	40.8	39.9
	Nov.	1.6	2.3	2.8	5.6	1.0	0.9	3.3	6.2	38.9	39.2
	Dec.	1.5	2.5	1.7	3.5	1.4	1.2	2.2	4.0	40.2	40.3
1974	Jan.	1.5	2.3	3.1	4.7	1.1	1.2	3.9	5.6	39.5	39.5
	Feb.	1.3	2.3	1.7	3.1	0.7	0.9	2.4	4.2	38.5	38.8
	Mar.	1.4	1.8	2.5	3.2	2.1	1.1	3.6	4.3	38.0	38.1
	Apr.	2.2	2.5	2.9	2.8	1.7	2.2	3.8	3.5	37.8	38.3
	May	2.4	2.2	4.4	3.5	0.5	1.0	5.2	3.9	38.6	38.8
	Jun.	2.4	2.5	5.2	2.8	0.3	0.5	6.7	3.9	38.1	38.3
	Jul.	2.5	3.0	4.4	3.5	0.4	0.6	5.4	4.3	37.5	37.8
	Aug.	3.4	2.4	3.4	3.0	1.9	1.5	3.8	3.5	38.8	38.3
	Sep.	3.2	1.4	2.8	2.2	2.6	2.3	3.4	2.8	38.1	37.5
	Oct.	1.5	1.2	2.6	2.1	2.9	2.4	3.5	3.1	38.1	37.2
	Nov.	0.9	1.3	1.3	2.6	2.2	1.9	1.9	3.6	36.6	36.7
	Dec.	0.8	1.3	1.2	2.5	2.2	1.9	2.0	3.6	37.0	37.1
1975	Jan.	1.0	1.5	0.7	1.1	3.6	4.0	2.4	3.5	37.2	37.2
	Feb.	0.7	1.2	0.9	1.6	2.3	2.8	2.0	3.5	36.3	36.6
	Mar.	1.1	1.4	1.7	2.2	1.8	1.0	2.6	3.1	35.8	35.9
	Apr.	1.2	1.3	1.7	1.6	0.6	0.8	3.0	2.8	35.1	35.6
	May	1.6	1.5	3.4	2.7	2.2	4.4	4.9	3.7	35.9	36.0
	Jun.	2.3	2.4	4.8	2.6	.5	.9	7.4	4.3		
	Jul.										
	Aug.										
	Sep.										
	Oct.										
	Nov.										
	Dec.										

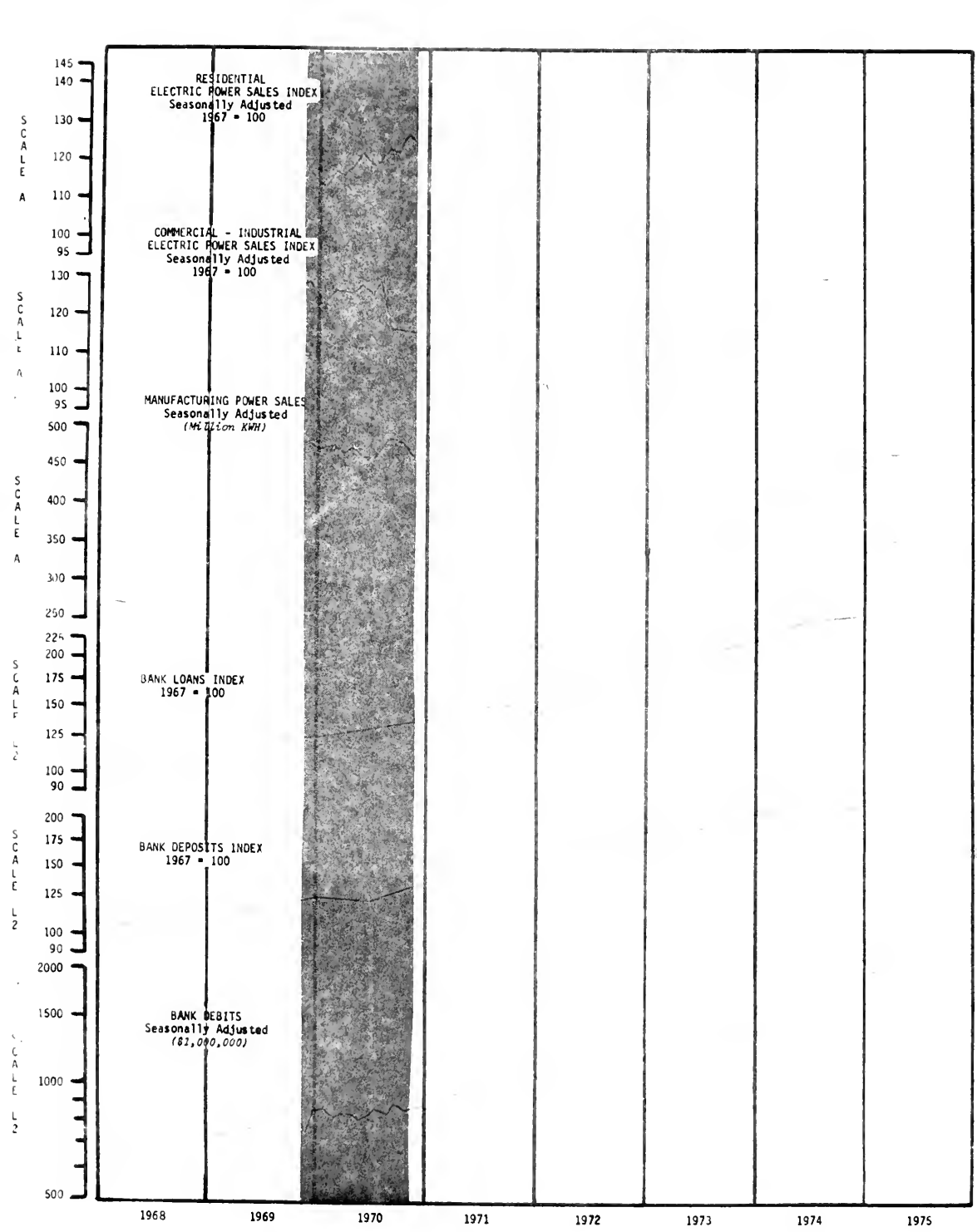

SCALE A
SCALE A
SCALE A
SCALE A
SCALE A
MANUFACTURING - QUIT RATE
Seasonally Adjusted
(Per 100 Employees)
MANUFACTURING - NEW HIRES RATE
Seasonally Adjusted
(Per 100 Employees)
MANUFACTURING - LAYOFF RATE
Seasonally Adjusted
(Per 100 Employees
MANUFACTURING - ACCESSIONS RATE
Seasonally Adjusted
(Per 100 Employees)
MANUFACTURING -
AVERAGE WEEKLY HOURS
Seasonally Adjusted
1969
1970
1971
1972
1973
1974

		Average Weekly Initial Claims		Total Nonagricultural Placements		Total Number of Building Permits		Number of Residential Building Permits		New Corporations	Withdrawals and Dissolutions of Corporations
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ		
1973	Jan.	1,443	717	2,228	3,355	152	397	60	128	182	25
	Feb.	885	692	1,922	3,225	155	316	64	126	144	14
	Mar.	673	588	2,411	3,479	433	428	145	130	133	17
	Apr.	728	754	2,936	3,202	463	336	157	100	132	18
	May	516	875	3,747	3,230	483	370	162	127	181	14
	Jun.	561	855	3,914	3,169	419	323	108	93	161	10
	Jul.	632	978	3,972	3,237	436	356	119	105	151	13
	Aug.	769	1,482	5,738	3,473	462	368	112	109	136	17
	Sep.	555	1,051	4,476	3,584	390	321	97	88	111	13
	Oct.	772	1,007	3,752	3,587	419	363	90	74	138	19
	Nov.	1,403	1,175	2,985	3,213	223	270	68	74	123	23
	Dec.	1,167	707	1,994	3,190	183	397	93	123	127	15
1974	Jan.	1,595	792	2,336	3,518	165	431	51	120	200	36
	Feb.	948	741	2,041	3,424	262	535	101	165	110	31
	Mar.	865	755	2,281	3,291	357	353	128	111	152	25
	Apr.	788	816	3,074	3,352	565	411	181	124	140	33
	May	898	1,522	3,991	3,441	542	415	178	140	160	10
	Jun.	677	1,032	3,713	2,998	508	392	153	139	108	14
	Jul.	737	1,141	3,979	3,243	467	381	165	151	148	11
	Aug.	628	1,210	4,954	2,999	447	356	121	119	153	30
	Sep.	743	1,407	3,744	2,998	465	383	140	128	134	12
	Oct.	1,150	1,499	3,264	3,120	441	382	113	100	145	23
	Nov.	1,372	1,149	2,401	2,584	341	412	125	132	136	25
	Dec.	1,676	1,015	1,809	2,894	253	549	112	139	199	18
1975	Jan.	1,891	939	2,169	3,267	176	460	67	135	138	25
	Feb.	1,449	1,132	2,088	3,503	148	302	59	123	104	20
	Mar.	1,221	1,066	2,476	3,573	302	298	123	106	102	18
	Apr.	1,295	1,341	2,839	3,096	523	380	203	146	138	11
	May	1,057	1,792	3,428	2,955	582	445	176	138	161	19
	Jun.	1,059	1,614	3,476	2,815	699	539	230	216	132	10
	Jul.										
	Aug.										
	Sep.										
	Oct.										
	Nov.										
	Dec.										

		Unemployment Rate (Seasonally)		Unemployment Total (Thousands)		Average Weekly Insured Unemployed		Manufacturing Employment (Thousands)		New Car Registrations	
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ
1973	Jan.	5.5	5.5	25.1	19.6	9,352	5,418	23.7	24.4	2,084	2,648
	Feb.	5.1	5.1	23.5	18.7	9,081	5,154	24.0	24.7	2,201	2,822
	Mar.	4.3	4.9	21.6	18.0	7,823	4,899	23.6	24.7	2,679	2,490
	Apr.	4.9	4.9	18.2	18.2	5,946	4,992	23.6	24.8	3,145	2,833
	May	4.3	4.7	15.5	18.8	4,205	5,269	24.4	25.1	2,661	2,492
	Jun.	4.9	4.8	20.3	20.1	3,637	5,648	25.7	25.0	2,064	2,020
	Jul.	4.8	4.8	18.3	19.4	3,769	5,917	26.3	25.3	3,625	3,413
	Aug.	4.3	4.7	16.3	19.2	3,810	6,592	26.3	25.4	2,045	2,037
	Sep.	4.1	4.7	15.7	19.3	3,515	6,786	26.0	25.4	2,578	2,391
	Oct.	4.5	4.8	16.0	19.6	3,776	7,248	25.7	24.9	3,022	2,512
	Nov.	4.9	5.1	18.8	19.4	5,862	7,593	25.1	24.6	2,593	2,474
	Dec.	5.5	5.3	19.4	18.4	7,542	6,038	24.6	24.6	1,781	2,340
1974	Jan.	6.5	7.0	27.6	21.9	12,056	6,985	23.5	24.2	1,204	1,530
	Feb.	6.1	6.2	24.3	19.5	11,576	6,570	23.7	24.4	1,614	2,069
	Mar.	5.6	6.3	23.4	19.9	8,967	5,615	23.4	24.5	1,758	1,634
	Apr.	6.5	6.7	21.4	21.4	9,118	7,656	23.4	24.6	1,930	1,738
	May	5.6	6.6	18.3	21.6	6,545	8,202	24.2	24.8	2,651	2,482
	Jun.	6.3	7.2	24.0	23.7	5,342	8,295	25.7	25.0	2,158	2,112
	Jul.	6.3	6.7	21.0	22.0	6,031	9,468	26.1	25.1	2,690	2,533
	Aug.	5.8	6.5	17.9	20.8	4,817	8,334	26.0	25.1	2,528	2,518
	Sep.	5.8	6.5	17.3	20.9	4,587	8,855	25.4	24.8	2,666	2,473
	Oct.	6.6	6.6	18.1	21.7	6,893	13,230	24.5	23.8	1,528	1,270
	Nov.	7.9	7.9	22.4	23.0	9,584	12,415	24.5	24.0	2,060	1,966
	Dec.	7.7	7.5	24.1	23.1	12,084	9,675	23.7	23.7	1,517	1,993
1975	Jan.	8.3	7.9	28.9	23.2	14,013	8,128	23.0	23.6	485	616
	Feb.	10.3	8.1	31.7	27.0	16,960	9,631	22.7	23.3	2,145	2,750
	Mar.	8.2	7.9	29.0	25.6	14,015	8,787	22.2	23.3	2,620	2,435
	Apr.	8.7	8.6	28.0	28.1	15,065	12,649	22.2	23.3	2,340	2,109
	May	7.1	8.2	23.7	27.0	10,669	13,353	22.9	23.5	1,999	1,872
	Jun.	8.3	8.7	29.6	29.3	8,430	13,110	24.8	24.1	2,080	2,035
	Jul.										
	Aug.										
	Sep.										
	Oct.										
	Nov.										
	Dec.										


SCALE A
4
5
6
7
(Inverted)
UNEMPLOYMENT RATE
Seasonally Adjusted
(Percent)
SCALE A
10
11
12
13
14
15
16
18
20
22
24
26
(Inverted)
UNEMPLOYMENT TOTAL
Seasonally Adjusted
(In Thousands)
SCALE A
2000
4000
6000
8000
10000
12000
14000
(Inverted)
AVERAGE WEEKLY INSURED UNEMPLOYED
Seasonally Adjusted
SCALE A
25.5
25.0
24.5
24.0
23.5
23.0
MANUFACTURING EMPLOYMENT
Seasonally Adjusted
(In Thousands)
SCALE A
3000
2000
1000
NEW CAR REGISTRATIONS
Seasonally Adjusted
1968
1969
1970
1971
1972
1973
1974
1975

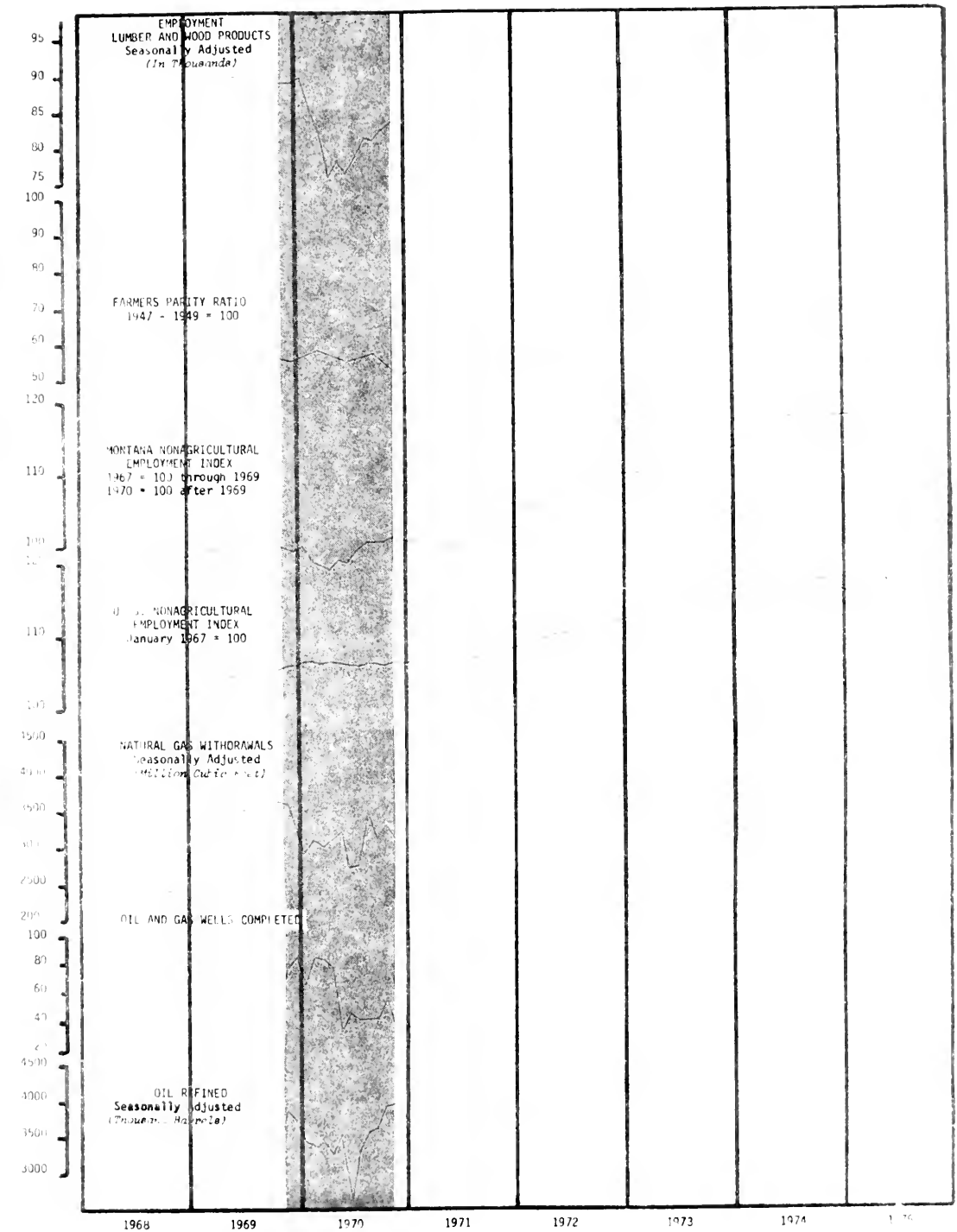
		Residential Electric Power Sales Index 1967 = 100		Commercial-Industrial Electric Power Sales Index 1967 = 100		Manufacturing Power Sales (Million KWH)		Bank Loans Index	Bank Deposits Index	Bank Debits ($1,000,000)	
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	1967 = 100		UNADJ	ADJ
1973	Jan.	189.7	146.8	111.4	112.3	421.9	403.8			1,333.0	1,275.6
	Feb.	171.3	138.9	103.1	104.3	383.3	391.1			1,043.5	1,189.8
	Mar.	151.0	137.4	104.6	104.5	425.6	414.4			1,221.7	1,241.5
	Apr.	138.7	137.9	101.1	101.3	379.2	371.4			1,230.4	1,283.0
	May	131.3	139.0	104.7	102.5	362.0	353.2			1,259.8	1,321.9
	Jun.	120.5	138.9	100.6	102.4	345.8	350.7	199.8	179.3	1,265.4	1,252.9
	Jul.	120.3	143.6	108.7	107.7	362.6	367.0			1,341.2	1,365.8
	Aug.	122.9	145.4	112.1	112.3	354.4	360.9			1,345.6	1,394.4
	Sep.	126.0	143.8	112.0	112.7	352.9	367.2			1,187.2	1,265.7
	Oct.	126.0	142.5	112.0	111.8	367.0	372.2			1,503.8	1,373.3
	Nov.	141.2	143.7	119.3	117.0	362.3	362.7			1,506.4	1,373.2
	Dec.	160.6	141.8	116.5	117.2	376.3	371.1	214.6	197.4	1,521.5	1,388.2
1974	Jan.	179.1	138.6	115.9	116.8	404.8	392.2			1,607.0	1,537.8
	Feb.	174.1	141.2	111.4	112.6	407.6	415.9			1,293.8	1,475.3
	Mar.	149.6	136.1	127.6	127.5	431.4	420.1			1,484.5	1,508.7
	Apr.	144.6	143.7	126.7	127.0	428.8	420.0			1,782.2	1,858.4
	May	133.6	141.4	126.2	123.5	409.4	399.4			1,756.0	1,843.6
	Jun.	132.1	152.4	128.2	130.4	400.7	406.4	237.0	201.2	1,635.6	1,619.4
	Jul.	136.0	162.3	129.0	127.9	439.3	444.6			1,708.7	1,740.0
	Aug.	130.1	153.9	128.5	128.7	433.9	441.8			1,689.0	1,750.3
	Sep.	130.1	148.5	124.1	124.9	424.7	441.9			1,590.2	1,695.3
	Oct.	132.1	149.4	142.0	141.8	445.8	452.1			1,723.1	1,573.6
	Nov.	141.1	143.5	143.5	142.6	446.5	447.0			1,739.6	1,585.7
	Dec.	165.0	145.8	133.4	134.2	453.0	446.7	240.8	214.3	2,095.8	2,005.6
1975	Jan.	188.5	145.9	128.3	129.3	424.2	441.1			2,069.7	1,980.6
	Feb.	191.3	155.1	121.1	122.4	388.4	396.4			1,648.6	1,879.8
	Mar.	181.7	165.3	83.2	83.1	373.9	364.1			1,863.7	1,894.0
	Apr.	163.8	162.8	75.6	75.8	351.3	344.1			1,932.1	2,014.7
	May	155.5	164.6	77.1	75.4	349.1	340.6			1,986.2	2,084.2
	Jun.	139.0	160.3	69.0	70.2	321.3	325.8				
	Jul.										
	Aug.										
	Sep.										
	Oct.										
	Nov.										
	Dec.										


RESIDENTIAL
ELECTRIC POWER SALES INDEX
Seasonally Adjusted
1967 = 100
COMMERCIAL - INDUSTRIAL
ELECTRIC POWER SALES INDEX
Seasonally Adjusted
1967 = 100
MANUFACTURING POWER SALES
Seasonally Adjusted
(Million KWH)
BANK LOANS INDEX
1967 = 100
BANK DEPOSITS INDEX
1967 = 100
BANK DEBITS
Seasonally Adjusted
($1,000,000)
SCALE A
SCALE A
SCALE A
SCALE L2
SCALE L2
SCALE L2
145
140
130
120
110
100
95
130
120
110
100
95
500
450
400
350
300
250
225
200
175
150
125
100
90
200
175
150
125
100
90
2000
1500
1000
500
1968
1969
1970
1971
1972
1973
1974
1975

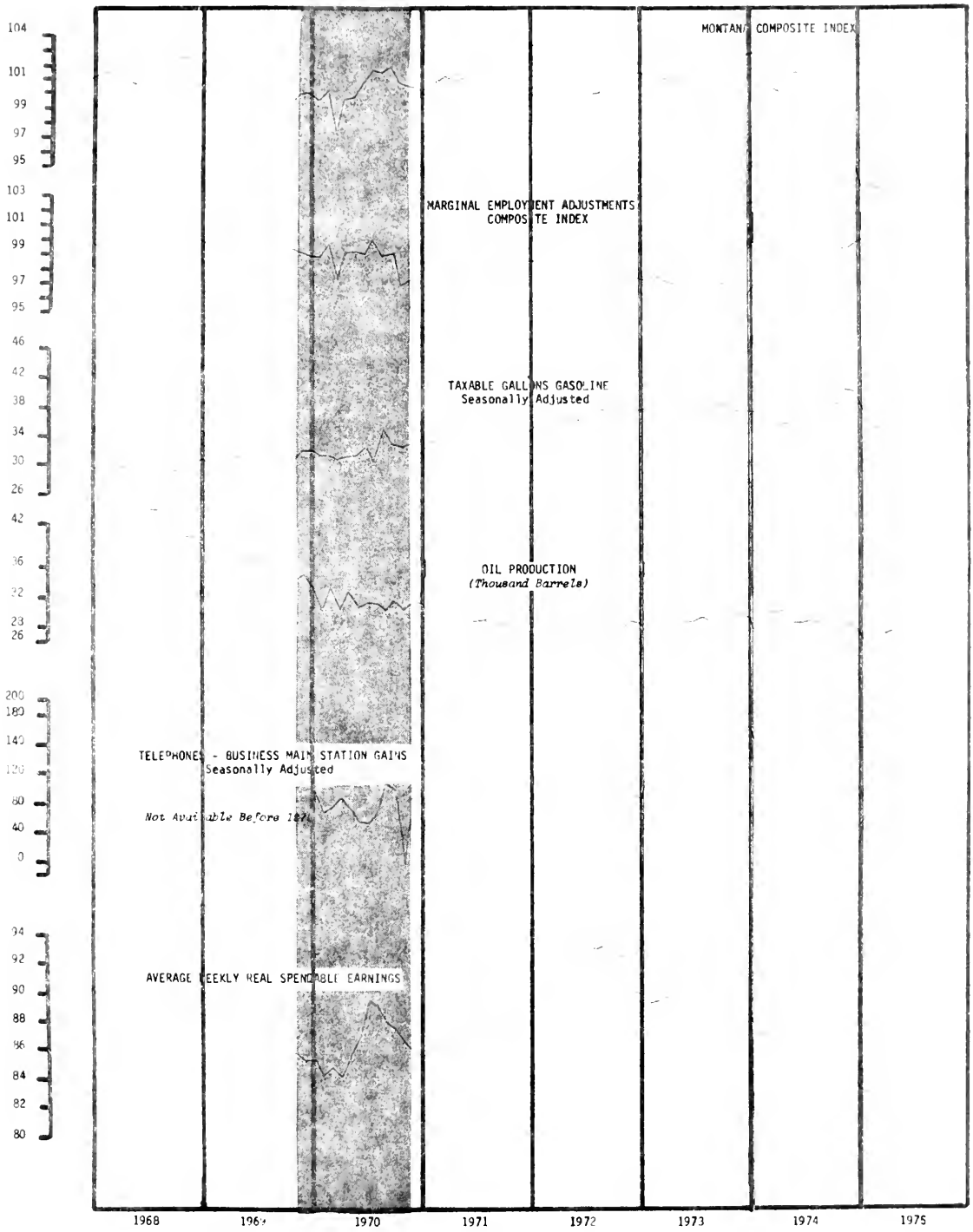
		Employment - Lumber and Wood Products (In Thousands)		Farmers Parity Ratio*	Nonagricultural Employment Index**		Natural Gas Withdrawals (Million Cu. Ft.)		Oil and Gas Wells Completed	Oil Refined (Thousand Barrels)	
		UNADJ	ADJ		MONTANA	U. S.	UNADJ	ADJ		UNADJ	ADJ
1973	Jan.	9.1	9.4		110.6	112.2	6,323	3,947	54	4,107	4,128
	Feb.	9.3	9.6		111.0	113.1	6,136	4,820	61	4,103	4,356
	Mar.	9.1	9.6	73	111.7	113.9	5,800	4,805	77	4,337	4,354
	Apr.	8.7	9.6		111.5	114.1	4,463	4,798	45	3,500	4,060
	May	9.2	9.6		111.6	114.3	4,248	5,568	23	4,302	4,276
	Jun.	9.8	9.5	73	112.5	115.0	3,931	5,673	48	4,090	4,106
	Jul.	9.7	9.2		111.4	115.0	3,888	5,460	56	3,736	3,495
	Aug.	9.7	9.2		111.9	115.0	3,805	5,482	69	4,835	4,428
	Sep.	9.6	9.1	95	112.5	115.9	3,767	5,175	76	4,319	4,141
	Oct.	9.3	9.0		113.2	116.5	3,726	3,994	57	4,505	4,555
	Nov.	9.2	9.0		113.2	116.4	5,405	5,123	59	4,368	4,545
	Dec.	9.1	9.1	86	114.1	116.3	6,213	4,397	68	5,264	5,018
1974	Jan.	9.1	9.4		113.7	116.3	7,899	4,931	91	4,205	4,226
	Feb.	9.2	9.5		115.0	116.3	6,503	5,108	53	3,644	3,868
	Mar.	9.1	9.6	84	115.6	116.4	3,029	2,509	28	3,922	3,938
	Apr.	8.9	9.8		117.0	116.6	3,571	3,840	44	3,751	4,352
	May	9.4	9.8		118.0	117.1	3,340	4,378	37	3,785	3,762
	Jun.	10.2	9.8	67	118.3	117.3	3,192	4,607	42	4,252	4,235
	Jul.	10.2	9.7		117.7	117.6	3,052	4,287	61	4,398	4,701
	Aug.	10.3	9.8		117.9	117.4	3,100	4,468	47	4,416	4,044
	Sep.	9.9	9.4	67	119.4	117.6	3,079	4,230	50	4,020	3,854
	Oct.	8.7	8.4		118.4	117.5	3,345	3,585	81	3,112	3,147
	Nov.	8.7	8.5		118.6	116.7	4,091	3,878	91	4,322	4,497
	Dec.	8.1	8.1	65	118.8	116.1	6,190	4,381	153	4,225	4,028
1975	Jan.	7.9	8.2		118.7	115.1	4,096	2,557	88	4,269	4,290
	Feb.	8.1	8.4		118.2	114.4	3,605	2,832	55	3,610	3,832
	Mar.	8.0	8.4	55	118.2	114.6	3,914	3,243	61	3,969	3,985
	Apr.	7.9	8.7		117.9	114.7	3,199	3,440	92	3,596	4,067
	May	8.7	9.1		118.1		3,118	4,087	32	3,547	3,526
	Jun.	9.9	9.6	56							
	Jul.										
	Aug.										
	Sep.										
	Oct.										
	Nov.										
	Dec.										

* 1947 - 1949 = 100

** MONTANA: 1967 = 100 through 1974; 1972 = 100 after 1974. U.S.: 1967 = 100.


EMPLOYMENT
LUMBER AND WOOD PRODUCTS
Seasonally Adjusted
(In Thousands)
95
90
85
80
75
FARMERS PARITY RATIO
1947 - 1949 = 100
100
90
80
70
60
50
MONTANA NONAGRICULTURAL
EMPLOYMENT INDEX
1967 = 100 through 1969
1970 = 100 after 1969
120
110
100
U. S. NONAGRICULTURAL
EMPLOYMENT INDEX
January 1967 = 100
110
NATURAL GAS WITHDRAWALS
Seasonally Adjusted
(Million Cubic Feet)
2500
OIL AND GAS WELLS COMPLETED
100
80
60
40
OIL REFINED
Seasonally Adjusted
(Thousands Barrels)
4000
3500
3000
1968
1969
1970
1971
1972
1973
1974

		MONTANA Composite Index 1967 = 100	Marginal Employment Adjustments Index 1967 = 100	Taxable Gallons Gasoline		Oil Production (Thousand Barrels)	Telephones Main Station Gains Business		Gross Average Weekly Earnings	Average Weekly Spendable Earnings
				UNADJ	ADJ		UNADJ	ADJ		
1973	Jan.	101.6	97.4	33,296	37,779	2,852	125	80	$130.32	$88.87
	Feb.	101.5	97.3	25,844	37,908	2,664	148	143	131.77	89.02
	Mar.	102.6	97.6	33,641	38,549	2,948	161	137	133.59	89.35
	Apr.	101.3	97.3	34,229	37,610	2,793	183	99	135.05	89.52
	May	101.1	97.0	39,481	39,165	2,982	325	164	137.25	90.25
	Jun.	101.7	97.8	42,441	37,149	2,849	220	122	140.24	91.31
	Jul.	99.6	95.2	50,043	38,099	2,872	172	114	142.86	92.54
	Aug.	99.4	94.3	54,246	39,318	2,906	224	147	144.36	91.67
	Sep.	99.9	96.3	39,701	37,684	2,853	-74	50	145.73	92.17
	Oct.	101.5	96.9	37,705	38,148	3,020	75	146	145.02	91.10
	Nov.	100.1	97.3	39,508	37,848	2,896	26	204	143.50	89.54
	Dec.	101.4	96.7	32,040	37,380	2,986	100	165	143.54	88.98
1974	Jan.	102.7	96.3	29,558	37,645	2,907	221	174	143.47	88.29
	Feb.	103.0	97.1	28,329	37,369	2,667	154	148	142.96	86.96
	Mar.	101.4	96.4	31,589	36,440	3,028	122	102	145.20	87.04
	Apr.	100.6	98.1	34,118	30,737	2,990	224	141	147.29	87.65
	May	100.3	98.8	36,058	35,742	3,009	344	182	148.47	87.31
	Jun.	101.6	96.9	41,047	35,755	2,839	342	244	152.21	88.35
	Jul.	101.5	97.5	49,553	38,010	2,855	204	146	159.90	91.50
	Aug.	99.4	99.1	49,938	35,010	2,882	41	78	159.84	90.31
	Sep.	97.7	101.3	38,482	37,466	2,850	95	219	157.38	88.10
	Oct.	94.3	101.5	39,202	39,645	2,911	93	156	157.75	87.46
	Nov.	96.1	99.9	35,052	38,414	2,738	62	238	154.94	85.40
	Dec.	96.9	99.4	35,294	40,706	2,844	10	75	154.28	84.52
1975	Jan.	95.3	99.9	32,027	40,163	2,768	89	42	152.28	83.19
	Feb.	93.5	100.6	28,261	37,276	2,548	64	58	152.80	82.90
	Mar.	93.8	100.2	30,835	35,657	2,854	136	118	155.09	83.58
	Apr.	93.5	101.4	32,217	35,618	2,701	82	-1	154.22	82.77
	May	93.2	102.7	38,603	38,256	2,767	188	26	157.24	85.48
	Jun.									
	Jul.									
	Aug.									
	Sep.									
	Oct.									
	Nov.									
	Dec.									


MONTANA COMPOSITE INDEX
MARGINAL EMPLOYMENT ADJUSTMENTS COMPOSITE INDEX
TAXABLE GALLONS GASOLINE Seasonally Adjusted
OIL PRODUCTION (Thousand Barrels)
TELEPHONES - BUSINESS MAIN STATION GAINS Seasonally Adjusted
Not Available Before 1971
AVERAGE WEEKLY REAL SPENDABLE EARNINGS
SCALE A
104
101
99
97
95
103
101
99
97
95
46
42
38
34
30
26
42
36
32
28
26
200
180
140
120
80
40
0
94
92
90
88
86
84
82
80
1968
1969
1970
1971
1972
1973
1974
1975

INDICATOR	UNIT	MONTHLY DATA Latest Month 1975	Last Month 1975	Last Year 1974	PERCENT CHANGE Last Month 1975	Last Year 1974
LEADING INDICATORS						
Initial Claims						
Seasonally Adjusted	Avg. No./Wk.	Jun: 1,614	1,792	1,032	-9.9	56.4
Unadjusted	Avg. No./Wk.	Jun: 1,059	1,057	677	0.2	56.4
Nonagricultural Placements						
Seasonally Adjusted	Number	Jun: 2,815	2,955	2,998	-4.7	-6.1
Unadjusted	Number	Jun: 3,476	3,428	3,713	1.4	-6.4
Total Building Permits						
Seasonally Adjusted	Number	Jun: 539	445	392	21.1	37.5
Unadjusted	Number	Jun: 699	582	508	20.1	37.6
Residential Building Permits						
Seasonally Adjusted	Number	Jun: 216	138	139	56.5	55.4
Unadjusted	Number	Jun: 230	176	153	30.7	50.3
Quit Rate						
Seasonally Adjusted	Rate/100	Jun: 2.4	1.5	2.5	60.0	-4.0
Unadjusted	Rate/100	Jun: 2.3	1.6	2.4	43.8	-4.2
New Hires Rate						
Seasonally Adjusted	Rate/100	Jun: 4.8	3.4	5.2	41.2	-7.7
Unadjusted	Rate/100	Jun: 2.6	2.7	2.8	-3.7	-7.1
Layoff Rate						
Seasonally Adjusted	Rate/100	Jun: .9	4.4	.5	-79.5	80.
Unadjusted	Rate/100	Jun: .5	2.2	.3	-77.3	66.7
Accession Rate						
Seasonally Adjusted	Rate/100	Jun: 4.3	3.7	3.9	16.2	10.3
Unadjusted	Rate/100	Jun: 7.4	4.9	6.7	51.0	10.4
Average Weekly Hours-Mfg.						
Seasonally Adjusted	Hours	May: 36.0	35.6	38.8	1.1	-7.2
Unadjusted	Hours	May: 35.9	35.1	38.6	2.3	-7.0
Business Main Gains						
Seasonally Adjusted	Number	Jun: 26	-1	244	2700.0	-89.3
Unadjusted	Number	Jun: 188	82	342	129.3	-45.0
New Corporations	Number	Jun: 132	161	108	-18.0	22.2
Withdrawals & Dissolutions of Corporations	Number	Jun: 10	19	14	-47.4	-28.6

INDICATOR	UNIT	MONTHLY DATA Latest Month 1975	Last Month 1975	Last Year 1974	PERCENT CHANGE Last Month 1975	Last Year 1974
COINCIDING INDICATORS						
Unemployment Rate						
Seasonally Adjusted	Percent	Jun: 8.7	8.2	7.2	6.1	20.8
Unadjusted	Percent	Jun: 8.3	7.1	6.9	16.9	20.3
Unemployment Total						
Seasonally Adjusted	Thousands	Jun: 29.3	27.0	23.7	8.5	23.6
Unadjusted	Thousands	Jun: 29.6	23.7	24.0	24.9	23.3
Insured Unemployed						
Seasonally Adjusted	Avg.Wkly No.	Jun: 13,110	13,353	8,295	-1.8	58.0
Unadjusted	Avg.Wkly No.	Jun: 8,430	10,669	5,342	-21.0	57.8
Manufacturing Employment						
Seasonally Adjusted	Thousands	Jun: 24.1	23.5	25.0	2.6	-3.6
Unadjusted	Thousands	Jun: 24.8	22.9	25.7	8.3	-3.5
New Car Registrations						
Seasonally Adjusted	Number	Jun: 2,035	1,872	2,112	8.7	-3.6
Unadjusted	Number	Jun: 2,080	1,999	2,159	4.1	-3.6
Residential Power Sales						
Seasonally Adjusted	Index	Jun: 160.3	164.6	152.4	-2.6	5.2
Unadjusted	Index	Jun: 139.0	155.5	132.1	-10.6	5.2
Manufacturing Power Sales						
Seasonally Adjusted	Million KWH	Jun: 325.8	340.6	406.4	-4.3	-19.6
Unadjusted	Million KWH	Jun: 321.3	349.1	400.7	-8.0	-19.8
Commercial - Industrial Power Sales						
Seasonally Adjusted	Index	Jun: 70.2	75.4	130.4	-6.9	-46.2
Unadjusted	Index	Jun: 69.0	77.1	128.2	-10.5	-46.2
Bank Loans	Index 1974	Dec: 240.8	---	214.6	---	12.2
Bank Debits						
Seasonally Adjusted	$1,000,000	May: 2,084.2	2,014.7	1,619.4	3.4	28.7
Unadjusted	$1,000,000	May: 1,986.2	1,932.1	1,635.6	2.8	21.4
Bank Deposits	Index 1974	Dec: 214.3	---	197.4	---	8.6

INDICATOR	UNIT	MONTHLY DATA Latest Month 1975	Last Month 1975	Last Year 1974	PERCENT CHANGE Last Month 1975	Last Year 1974
SELECTED INDICATORS						
Employment - Lumber and Wood Products						
Seasonally Adjusted	Thousands	Jun: 9.6	9.1	9.8	5.5	-2.0
Unadjusted	Thousand	Jun: 9.9	8.7	10.2	13.8	-2.9
Farmers Parity Ratio	Ratio	Jun: 56	---	67	---	-16.4
Montana Nonag. Employment	Index	May: 118.1	117.9	118.0	.2	.1
U. S. Nonag. Employment	Index	Apr: 114.7	114.6	116.6	.1	-1.6
Natural Gas Withdrawals						
Seasonally Adjusted	Mil.Cu.Ft.	May: 4,087	3,440	4,378	18.8	-6.6
Unadjusted	Mil.Cu.Ft.	May: 3,118	3,199	3,340	-2.5	-6.6
Oil & Gas Wells Completed	Number	May: 32	92	37	-65.2	-13.5
Oil Refined						
Seasonally Adjusted	Thous.Bbls	May: 3,526	4,067	3,762	-13.3	-6.3
Unadjusted	Thous.Bbls	May: 3,547	3,506	3,785	1.2	-6.3
Oil Production	Thous.Bbls	May: 2,767	2,701	3,009	2.4	-8.1
Taxable Gallons Gasoline						
Seasonally Adjusted	Gallons	May: 38,256	35,618	35,742	7.4	7.0
Unadjusted	Gallons	May: 38,603	32,217	36,058	19.8	7.1
Average Weekly Spendable Earnings	Dollars	May: 85.48	82.77	87.31	3.3	-2.1
COMPOSITE INDICATORS						
Montana Composite Index	Index	May: 93.2	93.5	100.3	-.3	-7.1
Marginal Employment Index	Index	May: 102.7	101.4	98.9	1.3	3.8

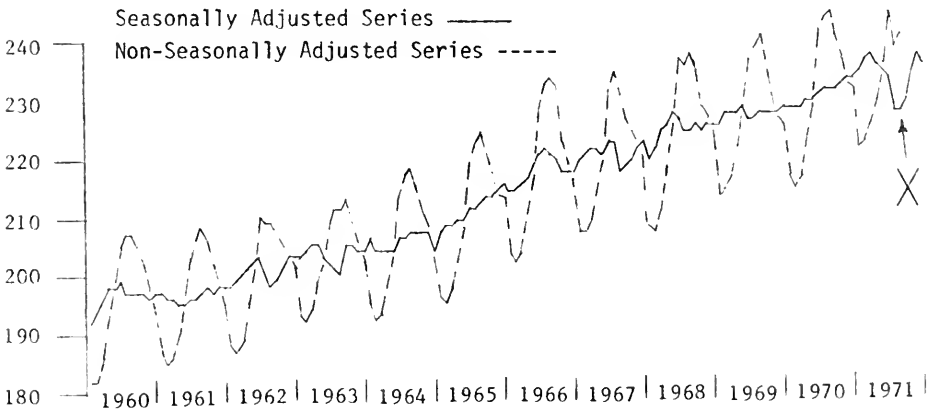
APPENDIX I

GLOSSARY

Seasonal Adjustment - A mathematical procedure in which certain monthly or yearly variations such as climate, holidays, vacation practices, etc., are removed from the statistics. The purpose of this is to simplify analysis over a long period of time and to highlight such non-seasonal occurances as strikes, natural disasters, floods, earthquakes, etc.

Non-Seasonally Adjusted - or "raw" data will not always reflect such occurances precisely because of seasonal influences. For example, the following chart is a graph of total nonagricultural employment for the State of Montana for the years 1960 to 1971.

TOTAL NONAGRICULTURAL EMPLOYMENT - MONTANA



Note the erratic nature of the non-adjusted data, and that a non-seasonal phenomena occurred in 1971 directly above the "X" mark. During this period a labor-management dispute occurred and the seasonally adjusted figures emphasize this point whereas the dispute is not readily apparent in the non-adjusted data. A word of caution is due at this point about non-adjusted and adjusted data. Adjusted data is not a "substitute" for actual data, and should in no way be used as such.

Economic Indicators - Statistical time series whose cyclical characteristics are known and fairly stable, particularly in the timing of their cyclical peaks and troughs relative to business cycle turns. Economic Indicators are used for the interpretation of current, and the anticipation of prospective, business conditions.

Leading Indicators - An economic series that tends to reverse direction sufficiently in advance of changes in total business activity. The peaks and troughs of this type of indicator generally occur from three to several months previous to the peak or trough in total business activity.

Coincidental Indicators - An economic series that tends to parallel the same general pattern of total business activity.

Selected Indicators - A cyclical time series whose true value as an economic indicator is not yet known.

Lagging Indicators - An economic series that tends to reverse direction (reach its peaks or troughs) some time after the total business pattern has changed.

Other Indicators - A statistical series that combines the cyclical changes of the other types of economic indicators. For example, personal income generally lags at the peaks, and leads at the troughs of total business activity.

Montana Composite Index - A composite of six leading indicators of employment and economic activity: Building Permits, Manufacturing Employment, Average Weekly Hours, Average Weekly Initial Claims, Accession Rate and Layoff Rate. A reverse trend has been used for Layoff Rate and Average Weekly Initial Claims. The components are converted to series of standardized changes and weighted according to their significance and reliability as economic indicators in making the composite. This composite index is not comparable to the U. S. composite index as published in "Business Conditions Digest", U. S. Department of Commerce.

Marginal Employment Adjustments Index - A composite of four leading indicators of employment changes or adjustments: Average Weekly Hours, Average Weekly Initial Claims, Layoff Rate, and Accession Rate. In producing the composite these components are seasonally adjusted, converted to series of standardized changes, and weighted according to their significance and reliability as economic indicators. This composite indicator tends to lead changes in the unemployment rate by approximately five months.

Labor Turnover - The movement of wage and salary workers in and out of employment status.

Accessions - All permanent or temporary additions to the employment rolls, which include new hires and other accessions.

New Hires - Permanent and temporary additions to employment rolls of persons who have never been employed by a specific reporting establishment. This includes former employees who have been rehired although not specifically recalled by the reporting employer.

Other Accessions - Additions to the employment rolls of transfers from other establishments of the same company; employees returning from military service or unpaid leaves of absence; employees specifically recalled by an employer.

Separations - The termination of employment of persons who quit, are laid off, discharged, retire, die, are inducted into the military for service exceeding 30 consecutive days, suffer physical disabilities, or are transferred to other divisions of the same company.

Quits - The termination of employment initiated by an employee for any reason other than retirement, transfer, or service in the Armed Forces.

Layoffs - Suspension from pay status of an employee, expected to last seven consecutive days. This action must be initiated by the employer without prejudice to the worker, for reasons such as lack of orders, model changeover, termination of seasonal employment, inventory-taking, plant breakdown, shortage of materials.

SERIES BREAK - Pages 9 and 11

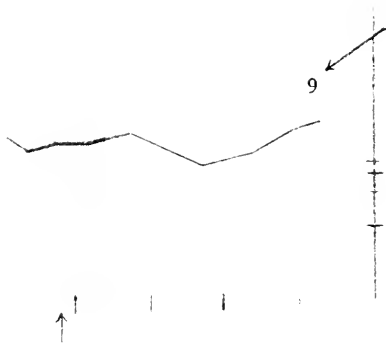
Beginning with January 1970, the following series, Montana Nonagricultural Employment Index, Montana Civilian Labor Force Index, Unemployment Rate, and Unemployment Total, were changed to reflect a change in the concept of measuring employment requested by the U. S. Department of Labor of all State Employment Security Agencies. The change was made to ensure comparability between states, and to make employment data published by this agency for Montana comparable to national labor force concepts. Civilian Labor Force series now reflect a count of employed and unemployed persons by place of residence (known as household data) rather than by place of work (known as establishment data). The years 1970, 1971, 1972, and 1973 were revised to the household concept and as a result data after January 1970 are not strictly comparable to data published earlier.

Conceptually, the difference between the old "Work Force" and the new "Labor Force" series is that the new series eliminates duplicate counting of multiple job holders, and persons who work in Montana but reside in another state. However, people who live in Montana but work elsewhere are included in the new "Labor Force" estimates.

Household and establishment data supplement one another and the Montana Employment Security Division will continue to publish establishment data for nonagricultural industries on employment, hours and earnings, labor turnover and job vacancy for those users who need this type of information.

APPENDIX II

KEY



Arabic numbers above graph lines indicate the last month of the year for which data have been plotted.

"A" indicates that scale is arithmetic. "L1", "L2", or "L3" indicate a ratio (semilogarithmic) scale of 1, 2, or 3 decks respectively.

Shaded areas on the graph indicate recession periods in the United States as designated by the National Bureau of Economic Research.

Broken lines on graphs indicate that data is not available for that time period.

Montana's indicators have been classified into three types; Leading, Coinciding, and Selected. The classification of Montana's Leading and Coinciding Indicators parallels the Department of Commerce, Bureau of Economic Analysis classification. This has been done to facilitate an easier and more accurate comparison of individual indicators with those of the nation. (This classification, however, does not mean that the Montana Employment Service has endorsed any particular economic theory.)

Historical data available upon request.

EMPLOYMENT SECURITY DIVISION
DEPARTMENT OF LABOR AND INDUSTRY
P. O. Box 1728
Helena, Montana 59601

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
EMPLOYMENT SECURITY MAIL
LAB 449

The Montana State Employment Service maintains 23 local employment offices in the principal cities of Montana. You are invited to call on any of these offices for assistance in filling positions in your organization, additional labor market information, and for other services in connection with your employment problems.